IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

NATIONAL LIABILITY & FIRE INSURANCE COMPANY	§ §	
VS.	999	NO. 4:07-cv-03169
R&R MARINE, INC., ET AL.	§	

ANSWER OF DEFENDANTS R&R MARINE, INC., R&R MARINE OFFSHORE, INC., R&R MARINE SHIPBUILDERS, INC. AND R&R MARINE MAINTENANCE, INC.

TO THE HONORABLE JUDGE OF SAID COURT:

COME NOW R&R Marine, Inc., R&R Marine Offshore, Inc., R&R Marine Shipbuilders, Inc. and R&R Marine Maintenance, Inc., defendants herein, and for answer to the Plaintiff's Complaint respectfully show the following:

FIRST DEFENSE

Venue in this District and Division is improper. Alternatively, this case should be transferred to the Eastern District of Texas, Beaumont Division, pursuant to 28 U.S.C. § 1404(a).

SECOND DEFENSE

Responding to the particular allegations of the Plaintiff's Complaint, Defendants' answer shows as follows:

- 1. The allegations in paragraph 1 are admitted, except it is denied that they are authorized to do and are doing business in this district.
- 2. The allegations in paragraph 2 require no answer.
- 3. The allegations in paragraph 3 require no answer.
- 4. The allegations in paragraph 4 are admitted.

- 5. The allegations in paragraph 5 are admitted as to R&R Marine Maintenance, Inc., and as to the other defendants.
- 6. The allegations in paragraph 6 are admitted.
- 7. The allegations in paragraph 7 are denied.
- 8. The allegations in paragraph 8, as amended by Plaintiff's Second Supplemental and Amending Complaint, are denied, except it is admitted that Hurricane Humberto was an Act of God.
- 9. The allegations in paragraph 9 are admitted.
- 10. The allegations in paragraph 10 are admitted.
- 11. The allegations in paragraph 11 are admitted.
- 12. The allegations in paragraph 12 are denied.
- 13. The allegations in paragraph 13 are denied.
- 14. The allegations in paragraph 14 are admitted.
- 15. The allegations in paragraph 15 are denied.
- 16. The allegations in paragraph 16 are admitted, to the extent they are accurate quotes from the applicable insurance policy.
- 17. The allegations in paragraph 17 are admitted.
- 18. The allegations in paragraph 18 are denied.
- 19. The allegations in paragraph 19 are admitted, to the extent they are accurate quotes from the applicable insurance policy.
- 20. The allegations in paragraph 20 require no answer.

Responding to the particular allegations of the Plaintiff's First Supplemental and Amending Complaint, Defendants answer as follows:

- 1. The allegations in paragraph 2 are admitted.
- 2. The allegations in paragraph 3 are denied for lack of sufficient information to form a belief as to their truth.
 - 3. The allegations in paragraph 4 are admitted.
- 4. The allegations in paragraph 5 are denied for lack of sufficient information to form a belief as to their truth.
 - 5. The allegations in paragraphs 6, 7 and 8 require no response.

WHEREFORE, PREMISES CONSIDERED, Defendants respectfully pray that should this matter proceed to trial, Defendants have judgment of the Court in their favor, for their costs, and for such other and further relief as may be just.

Respectfully submitted,

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ATTORNEY-IN-CHARGE FOR DEFENDANTS, R&R MARINE, INC., R&R MARINE OFFSHORE, INC., R&R MARINE SHIPBUILDERS, INC. AND R&R MARINE MAINTENANCE, INC.

OF COUNSEL STRASBURGER & PRICE, LLP

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing document has been forwarded to all known counsel of record pursuant to the Federal Rules of Civil Procedure via facsimile, hand delivery, certified mail, return receipt requested, and/or U.S. Mail on this the 31 day of October 2007.

F. William Mahley